

7.0 Facilities and Equipment Program

The Facilities and Equipment Program (F&E) provides funding for the installation of electronic communication, navigation, and information systems that enhance the safety of flight and the utilization of Virginia's air transportation system. The Virginia Department of Aviation will own and maintain some of these systems, and for others, a sponsor will have ownership and be responsible for system maintenance.

The Virginia Aviation Board has delegated the authority to review and approve funding requests for the F&E Program to DOAV.

7.1 Project Eligibility

In addition to meeting overall criteria provided in Chapter 5 Project Eligibility Requirements, a project must be identified in DOAV's current Virginia Facilities and Equipment Plan to be eligible for this program. The types of systems and equipment eligible to be purchased and installed using F&E funds include, but are not limited to, the following listing:

DOAV Owned	Sponsor Owned
<ul style="list-style-type: none"> • localizer • glideslope to complete a Category I instrument landing system (ILS) • distance measuring equipment (DME) • non-directional beacon (NDB) • medium intensity approach lighting system with runway alignment indicator lights (MALSR) • automated weather observation system networking system • UNICOM transceivers 	<ul style="list-style-type: none"> • visual aids such as: <ul style="list-style-type: none"> ◦ obstruction marking and lighting ◦ retro-reflective markers for taxiways and ramps ◦ centerline retro-reflective markers ◦ visual approach guidance aids ◦ rotating beacons ◦ wind cones ◦ segmented circles ◦ precision approach path indicators (PAPIs) ◦ runway end identifier lights (REILs) ◦ omni direction approach light system (ODALS) ◦ medium intensity runway lights (MIRLS) ◦ high intensity runway lights (HIRLS) ◦ medium intensity taxiway lights (MITLs) ◦ runway or taxiway closure lighted marking ("X") • weather observation system • pilot weather briefing systems • ground communication outlets (GCO)

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| • pilot-controlled lighting (PCL) systems |
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7.1.1 Virginia Facility and Equipment Plan

The Virginia Facility and Equipment Plan is a component of VATSP. The plan assists DOAV, FAA, and sponsors by identifying new navigational aid improvements, along with the replacement and decommissioning of existing NAVAID equipment, over a 20-year period. The plan also addresses instrument approach criteria by airport role and the development of approach procedures for airports.

If an airport sponsor identifies an F&E need that is not addressed in the current plan, the sponsor may submit a written request to DOAV asking that the project be added to the plan. The request must provide justification and details for the project. DOAV will evaluate the request and, as appropriate, include the project as an addendum to the current plan.

7.2 State Participation

The state's participation in an F&E project depends on whether the system will be owned and maintained by DOAV or the sponsor.

7.2.1 DOAV Owned and Maintained Systems

When DOAV will own and maintain the F&E system, the department will pay 100 percent of costs associated with DOAV responsibilities. The sponsor will pay 100 percent of costs associated with sponsor responsibilities. DOAV and the sponsor have the following responsibilities for each project:

DOAV Responsibilities	Sponsor Responsibilities
<ul style="list-style-type: none"> conduct the pre-design conference design the system equipment procure the system equipment install the system conduct the final acceptance inspection conduct periodic inspections conduct ground inspections, flight inspections, and commissioning maintain the system equipment 	<ul style="list-style-type: none"> attend the pre-design conference provide an acceptable source of electrical power and communications service to the site as specified by DOAV acquire all land necessary for the facility and its operation, either by purchase or lease

7.2.2 Sponsor Owned and Maintained Systems

When the sponsor will own and maintain the F&E system, the state's funding share of the costs associated with the sponsor's responsibilities is 80 percent for state funded projects and 3 percent for federally funded projects. DOAV and the sponsor have the following responsibilities for each project:

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DOAV Responsibilities	Sponsor Responsibilities
<ul style="list-style-type: none"> • attend the pre-design conference • review and approve engineering agreements • review and approve design plans • conduct inspections of the installation as required • approve requests for reimbursement 	<ul style="list-style-type: none"> • conduct the pre-design conference • design the system equipment • procure the system equipment • install the system • conduct the final acceptance inspection • conduct periodic inspections • conduct ground inspections, flight inspections, and commissioning • maintain the system equipment • provide an acceptable source of electrical power and communications service to the site as specified by DOAV

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55 **7.2.3 Additional Sponsor Responsibilities**

56 Regardless of the ownership of the system, the sponsor is responsible for:

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- 58 • maintenance of the site, such as mowing, tree trimming and cutting, and
- 59 removing snow
- 60 • recurring power and communications costs
- 61 • adequate insurance coverage of the system

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63 **7.2.4 Utilization of Airport Capital Program Funds**

64 When funds are not available under the Facilities and Equipment Program, a sponsor
 65 may submit project requests under the Airport Capital Program for consideration by
 66 the Virginia Aviation Board. The projects must meet the eligibility requirements of the
 67 Facilities and Equipment Program, and the required supporting documents for the
 68 Airport Capital Program must be provided as part of the project request submission.

69 In such a case for a Part 139 airport, if the Virginia Aviation Board specifically
 70 approves the use of state entitlement funds for proposed facilities and equipment
 71 projects, a sponsor will not be subject to the fiscal year approval restriction and
 72 reimbursement requirement described in 3.1.1.3 Air Carrier Utilization of State
 73 Entitlement and Discretionary Funds.

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75 **7.2.5 Utilization of State Entitlement Funds**

76 Sponsors of FAR Part 139 airports may use state entitlement funds for all projects
 77 eligible under the Facilities and Equipment Program. If sponsors use state
 78 entitlement funds for facilities and equipment projects, the sponsor shall not be
 79 eligible to receive approval for any funding from the Facilities and Equipment
 80 Program during the fiscal year in which the state entitlement funds are spent, except
 81 as otherwise described in 6.7.5 Facilities and Equipment, Security, and Maintenance
 82 Project Requests, from the chapter on the Airport Capital Program; 7.2.4 Utilization of
 83 Airport Capital Program Funds; and A.11 facility and equipment, security, and
 84 maintenance projects, from Appendix A. If it is determined during the review of an

entitlement utilization report that a sponsor used state entitlement funds for facilities and equipment projects and also used Facilities and Equipment Program funds for other eligible projects, the sponsor must reimburse the state for the Facilities and Equipment Program grants or allocations approved within that fiscal year.

7.3 Application Process

Sponsors will submit project requests for funding through Airport IQ. Each project request entry must include a project description and estimated cost, listed by federal, state, and local funding sources as appropriate. The cost estimate should include a sponsor's administrative costs.

The following supporting documentation must be submitted with the project request:

- scope of work
- quote or bid
- project schedule
- sketch

Actual proposals must be presented when the scopes are submitted to DOAV for review and approval, including costs and man-hours for subconsultants. Should the prime consultant or subconsultant costs and man-hours justifiably change after funding has been approved, sponsors can request an increase as described 7.6.1 Grant Amendments and Change Orders.

It should be noted that for DOAV owned systems, DOAV will obtain the cost estimate.

Project requests may be submitted at any time during the fiscal year, except for the 72-hour period after the due dates for Airport Capital Program submissions.

7.4 Evaluation and Selection Process

Upon receipt of a project request, DOAV will confirm that F&E funds are available for the request and will review the project request for completeness. If funds are available, DOAV will then review the project request to make sure all eligibility criteria are satisfied. If the criteria are met, DOAV will approve the project request.

DOAV will notify sponsors of its decision. The notification will specify the amount of funding allocated to the project and identify the scope of work in which DOAV will participate. For projects where DOAV will own and maintain the system, the notification will also include a schedule of work.

7.5 Agreement Process

A grant agreement between the sponsor and DOAV must be executed for all new F&E systems. The grant agreement contains certain assurances that are deemed necessary to protect the state's interest and investment in the equipment and the airport. The grant agreement will also specify the sponsor's responsibilities as they relate to the operation and maintenance of the equipment and site.

The timing of the grant agreement execution depends on the ownership of the system and type of project:

- When the sponsor will own the system and the project is for design work only, a design grant agreement will be offered to the sponsor after the scope has been approved.
- When the sponsor will own the system and the project is for design and construction, a tentative allocation notification will be provided to the sponsor and design work can begin. Upon DOAV approval of the design and the sponsor's receipt of bids, the sponsor must submit to DOAV a written project application request with design plans and bids. A design and construction grant agreement will be offered to the sponsor.
- When DOAV will own the system, a letter regarding grant intent will be sent to the sponsor. After the design work has been completed, equipment has been purchased, and bids are received, DOAV will send the sponsor a design, construction, and equipment grant agreement.

Please refer to the agreement process section in Chapter 6 Airport Capital Program for details on grant agreements.

7.6 Project Implementation

The timing of work elements and reimbursement also depends on the ownership of the system and type of project:

- When the sponsor will own the system and the project is only for design, design work and bidding will begin after the grant agreement is executed. Reimbursements may be requested throughout the design and bidding process.
- When the sponsor will own the system and the project is for design and construction, design work and bidding may begin after the sponsor has received the tentative allocation notification. Construction may begin after the grant agreement is executed. Reimbursement for work beginning in the design phase may be requested after the grant agreement is executed.

- When DOAV will own the system, DOAV will handle the design, equipment purchase, and bid advertisement for the project. The sponsor needs to coordinate its construction responsibilities for electricity and communications service with the department's construction work so conflicts and delays are avoided.

7.6.1 Grant Amendments and Change Orders

At any time during the course of a project, the grant agreement for an F&E project may be amended for justifiable cause, such as a change in the grant amount or a change in the scope of work. When a sponsor becomes aware of conditions that will necessitate a change, the sponsor should immediately submit to DOAV a written request for a grant amendment. The written request must include the following information:

- grant number and project name
- current expiration date if time extension is part of the request
- reason for the request including an explanation of why the project will not be finished by the grant expiration date or with the allocated funds
- plan of action and revised project schedule for completion of the project

All grant amendments must be coordinated with DOAV prior to the subject work being initiated. All increases are contingent on the availability of funds.

A change order will be addressed by DOAV at the time the change order is requested. Increases or decreases to a grant will not be addressed until project completion, and increases are subject to the availability of funds.

7.6.2 Reimbursement

A sponsor may request reimbursement for partial payments based on the percentage of work completed or actual costs incurred. The department requires that reimbursements for less than \$1,000 be made for the full amount at the completion of the project. Final or one time reimbursement requests do not have a minimum dollar amount limit. The requests must be made using DOAV's *Request for State Fund Reimbursement Form*. The form must bear the sponsor's original signature and date to certify acceptance of the costs from consultants and contractors. The form must be submitted with the required supporting documentation, such as a consultant or contractor invoice.

DOAV will review the reimbursement form and supporting documentation. If the submittal is acceptable, payment will be approved. If the submittal is not acceptable, DOAV will contact the sponsor by telephone or email to discuss errors or omissions. If the sponsor cannot be contacted within five business days, the reimbursement package will be returned with a written notification that explains any discrepancy. DOAV will withhold or reduce any reimbursement payment until discrepancies are resolved.

DOAV will not reimburse a sponsor for more than 90 percent of a grant amount until it notifies the sponsor of receipt of acceptable deliverables or final acceptance of construction. Requests for reimbursements exceeding 90 percent of the grant should not be submitted to DOAV if the approval on project completion has not been given by DOAV. Such requests will be returned to the sponsor for correction and resubmission, thereby delaying the sponsor's receipt of the funds. After the receipt of acceptable deliverables or final acceptance of construction, DOAV will accept a reimbursement request for the remainder of a project's cost. For federally funded projects, the final state request for reimbursement will be processed upon verification of the final FAA approved project cost.

7.6.3 Project Close-out

A close-out letter will be sent to the sponsor confirming that the project is complete and all payments have been made, unless an audit will be performed as described below. Final inspections will be required prior to project close-out.

An audit may be conducted on a project. If an audit is conducted, the sponsor will receive written notification of the outcome and any adjustments that need to be made. For federally funded projects, DOAV accepts the audit conducted by the federal Office of the Inspector General. After an audit, a closeout letter will be sent to the sponsor.